

BRIEFING MEMO
Maine Medical Center
Ambulatory Surgical Facility

To: John R. Nicholas, Commissioner

From: Catherine Cobb, Director, Bureau of Elder and Adult Services

Subject: Proposal by Maine Medical Center to construct an Ambulatory Surgical Facility on the Scarborough campus at an estimated capital cost of \$27,306,000.

Date: August 9, 2005

Issue Activated by: The referenced proposal requires Certificate of Need approval as defined in "The Maine Certificate of Need Act of 2002," 22 MRSA Section 326 et seq., as amended.

Background:

. Maine Medical Center (MMC) is a voluntary non-profit 501 (c)(3) organization that is governed by volunteer trustees from the communities it serves.

. MMC is the largest hospital in Maine providing a wide range of leading-edge services and specialty care. Each year MMC cares for more than 27,000 inpatients, records more than 500,000 outpatient visits, and performs over 16,000 surgeries. The hospital has 655 licensed beds including 40 newborn beds, and provides comprehensive inpatient services in all medical specialties.

. MMC is a subsidiary of MaineHealth, a nonprofit organization. MaineHealth's mission is to develop an integrated delivery system for central, southern and western Maine.

. MMC will build an Ambulatory Surgery Center on its Scarborough campus. The project would consolidate its ambulatory surgery and overnight stay programs from its Bramhall and Brighton campuses by developing a 10-operating room ambulatory surgery center with a six-bed overnight stay unit. Combining ambulatory surgery and overnight stay capabilities in a single facility significantly expands the scope, complexity and acuity of cases that can be performed in an ambulatory surgery center. The estimated cost of this project is \$27,306,000.

. The primary benefits of MMC's construction project are to: 1) Improve the availability of the Bramhall campus surgical Services' operating room capacity for complex inpatient, emergency and trauma surgeries. 2) Decompress the Bramhall campus by redirecting additional outpatients from the Bramhall campus to the Scarborough campus. 3) Develop adequate clinical capacity to meet the demands placed on MMC for ambulatory surgical services, and surgeon-

performed endoscopy services and 4) Consolidate the majority of MMC's ambulatory surgical services at a single facility on the Scarborough campus, improving efficiency.

Public and Applicant Comments:

The Certificate of Need Unit received comments from Central Maine Medical Center, Mercy Hospital, York Hospital, Maine Medical Center and Consumers for Affordable Health Care. The comments and the Department responses are attached.

Highlights:

Letter of Intent dated May 5, 2004
Technical Assistance Meeting held on June 3, 2004
Application Certified Complete-September 4, 2004
Applicant's Informational Meeting- November 18, 2004
A public hearing was not requested
Application placed in review cycle January 1, 2005
Preliminary Analysis Released-August 9, 2005

CONU Conclusion:

- . The applicants are fit, willing, and able to provide the proposed services at the proper standard of care.
- . The economic feasibility of the proposed services is demonstrated.
- . There is a public need for the proposed services.
- . The proposed services are consistent with the orderly and economic development of health facilities and health resources for the State.
- . The proposal is consistent with the State Health Plan.
- . The proposal ensures high-quality outcomes and does not negatively affect the quality of care delivered by existing service providers.
- . The proposed project does not result in inappropriate increases in service utilization.
- . The proposed project can be funded within the Capital Investment Fund.

Recommendations: The Certificate of Need Unit recommends **APPROVAL** of this proposal.

Attachments: 1) DHHS Preliminary Review, dated August 9, 2005

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